NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED

a Single

Producers 88 (4-89) — Paid Up With 640 Acres Pooling Provision STANDARD LEASE v.5

DRIVER'S LICENSE NUMBER.

THIS LEASE AGREEMENT is made this

described land, hereinafter called leased premises:

PAID UP OIL AND GAS LEASE

FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR

(No Surface Use)

whose addresss is 4405 Fitz way Avenue Fort Worth Texas 76105 as Lessor, and, DALE PROPERTY SERVICES, L.L.C., 2100 Ross Avenue, Suite 1870 Dallas Texas 75201, as Lessee. All printed portions of this lease were prepared by the party hereinabove named as Lessee, but all other provisions (including the completion of blank spaces) were prepared jointly by Lessor and Lessee.

1. In consideration of a cash bonus in hand paid and the covenants herein contained, Lessor hereby grants, leases and lets exclusively to Lessee the following

<u>Ourson</u>

August

.129	ACR	ES OF LAND,	, MORE OR LES:	S, BEING LOT(S	3) <u>15</u>			CK	
OÙT OÈ .	THE_	Eastwood	d				ON, AN ADDITIO		
Fort	Wor	rth	•	, TARRANT CO	UNTY, TEXAS, A	CCORDING TO	THAT CERTAIN	PLAT	RECORDED
IN VOLUI	ME	.386-2	, PAGE	[*] 52	OF THE PLAT	RECORDS OF	TARRANT COUN	ITY. TE	XAS.
		- W							
reversion, p substances commercial land now or Lessor agre- of determinin	prescription produced gases, as hereafter the ses to exempt the arr	d in association to swell as hydrocal rowned by Lesso cute at Lessee's ro nount of any shut-i	or the purpose of exp therewith (including g rbon gases. In addition r which are contiguou equest any additional of n royalties hereunder,	oloring for, developing eophysical/seismic on to the above-dest is a radjacent to the persupplemental instrate number of gross	is acres, more or less (ing., producing and markoperations). The term cribed leased premises above-described lease ruments for a more compacted acres above specified the cellong acres above specified the cellong acres acre	keting oil and gas, a n "gas" as used her i, this lease also cow d premises, and, in c nplete or accurate des shall be deemed con	long with all hydrocarb ein includes helium, c ers accretions and any consideration of the afo scription of the land so rect, whether actually m	oon and rearbon di small structure structure covered. nore or les	non hydrocarbon loxide and other rips or parcels of ned cash bonus, For the purpose
as long then	eafter ac	oil or gas or other	eubstances covered t	araby are produced	in paving quantities fro	m the lanced premis			
			to the provisions here		in paying quantities no	in the leased premis	es or irom rands pooled	1 (HELEAN)	ni oi niis iease is
					der shall be paid by Le	essee to Lessor as fo	ollows: (a) For oil and	other liqu	id hydrocarbons
separated a	it Lessee'	s separator facilit	ies, the royalty shall i	be O'le -+ 1-	fth (af such p	roduction, to be deliver	red at Le	essee's option to
Lessor at the	e wellhea	id or to Lessor's c	redit at the oil purchas	ser's transportation for	acilities, provided that L	essee shall have the	continuing right to pur	chase su	ich production at
the wellhead	d market	price then prevail	ing in the same field	(ar if there is no suc	ch price then prevailing	in the same field, th	nen in the nearest field	in which	there is such a
Dre-	T 7	production of sin	niiar grade and gravi	ty; (b) for gas (inci	uding casing head ga Lessee from the sale t	isj and all other sui thereof less a propoi	ostances covered here tionate hart of ad valor	aby, ine em taxes	royalty shall be
					processing or otherwise				
					narket price paid for pro				
then prevaiti	ing in the	same field, then	in the nearest field in	which there is such	a prevailing price) purs	suant to comparable	purchase contracts ent	tered into	on the same or
nearest prec	ceding da	te as the date on t	which Lessee commer	ices its purchases he	ereunder; and (c) if at the	ne end of the primary	term or any time therea	after one	or more wells on
me leased p	orennises i	or ianos pooleo in Julation, but euch	erewith are capable of	r either producing all	or gas or other substat in there from is not bein	nces covered nereby	in paying quantities or	such wei	is are waiting on
be producing	g in payin	g quantities for the	e purpose of maintaini	ing this lease. If for	a period of 90 consecut	tive days such well or	r wells are shut-in or pr	oduction	there from is not
being sold b	y Lessee	, then Lessee sha	all pay shut-in royalty of	of one dollar per acre	then covered by this I	ease, such payment	to be made to Lessor of	or to Less	sor's credit in the
depository d	designater	d below, on or bef	ore the end of said 90	-day period and ther	eafter on or before eac	ch anniversary of the	end of said 90-day peri	iod while	the well or wells
are shut-in (or produc	tion there from is	not being sold by Le	ssee; provided that	if this lease is otherwi ith, no shut-in royalty si	se being maintained	by operations, or if pro	oduction	is being sold by
of such oper	rations or	production Less	re reaseu premises or ee's failure to properly	nav shut-in rovalty s	ith, no shut-in royalty si hall render Lessee liab	rian be due unin the e Je for the amount due	end of the so-day pends but shall not onerate t	a next for to termina	nowing cessation ate this lease
4. Ali	shut-in ro	yalty payments u	nder this lease shall b	e paid or tendered to	Lessor or to Lessor's	credit in at lessor's	address above_ or it	s succes:	sors, which shall
be Lessor's	depositor	y agent for receivi	ing payments regardle	ss of changes in the	ownership of said land	. All payments or tend	ders may be made in co	urrency, c	or by check or by
draft and su	ch payme	ents or tenders to	Lessor or to the depo	sitory by deposit in t	he US Mails in a stamp	ped envelope addres	sed to the depository o	r to the L	essor at the last
address kno	own to Les	ssee snall constitu	ite proper payment. II	the depository shou	ild liquidate or be succe	eeded by another ins	titution, or for any reasi	on fail or	refuse to accept
5. Exc	cent as n	covided for in Paga	asee's request, deliver	: to Lessee a proper see drills a well whi	recordable instrument r	naming another institu Deing in paving guant	ution as depository age: lities (hereinafter called	"dry hole	eive payments. •°) on the leased
premises or	lands po	oled therewith, o	r if all production (wh	ether or not in payir	ng quantities) permane	intly ceases from an	cause, including a re	vision of	unit boundaries
pursuant to	the prov	isions of Paragra	ph 6 or the action of	any governmental	authority, then in the	event this lease is r	of otherwise being ma	aintained	in force it shall
nevertheless	s remain i	in force if Lessee	commences operation	s for reworking an e	xisting well or for drillin	ig an additional well o	or for otherwise obtaining	ng or rest	toring production
the end of the	tu premisi he primai	es or iands pooled or term, or at any	time thereafter, this l	ays after completion	of operations on such e being maintained in	dry hole or within 90 force but Legged in	days after such cessat	on or all	production. If at
operations n	easonabl	y calculated to obt	ain or restore product	on therefrom, this le	ase shall remain in forc	ce so long as any one	or more of such opera	itions are	prosecuted with
no cessation	n of more	than 90 consecu	tive days, and if any s	such operations resu	It in the production of	oil or gas or other su	ibstances covered here	eby, as lo	ing thereafter as
there is prod	duction in	paying quantities	from the leased prem	ises or lands pooled	f therewith. After comp	pletion of a well capa	ble of producing in pay	/ing quan	itities hereunder,
to (a) develo	n ariii suci	i additional wells (on the leased premise:	s or lands pooled the	erewith as a reasonably in paying quantities on	prudent operator wo	uld drill under the same	or simila	ar circumstances
leased prem	nises from	uncompensated	drainage by any well of	paule of producing t or wells located on o	ther lands not pooled t	herewith. There shall	be no covenant to dril	llexplora	forv wells or any
additional we	ells excep	ot as expressly pro	vided herein.						
6. Les	ssee shal	I have the right bu	it πot the obligation to	pool all or any part	of the leased premises	s or interest therein v	vith any other lands or	interests	, as to any or all
aepins ar zo	ones, and	l as to any or all	substances covered b	y this lease, either i	before or after the comether or not similar pool	imencement of produ	iction, whenever Lesse	e deems	s it necessary or
unit formed	by such o	ooling for an oil v	vell which is not a hori	zontal completion st	all not exceed 80 acre	ing authority exists was plus a maximum ac	rreage folerance of 10%	# lanus (%, and fo	or interests. The
horizontal co	ompletion	shall not exceed	640 acres plus a maxi	mum acreage tolerai	nce of 10%; provided th	nat a larger unit may l	be formed for an oil wel	ll or gas v	well or horizontal
completion t	ta conforn	n to any well spac	ing or density pattern	that may be prescrib	ed or permitted by any	governmental author	rity having jurisdiction to	o do so.	For the purpose
of the forego	oing, the	terms "oil well" an	d "gas weil" shali hav	e the meanings pres	cribed by applicable la	w or the appropriate	governmental authority	/, or, if no	o definition is so
feet or more	e per bar	rel. based on 24	an iniual gas-on ratio o -hour production test	conducted under n	cubic feet per barrel an ormal producing condi-	tions using standard	i weli with an inilial gas Lease senarator facilit	ties or e	ar ruu,uuu cubic avivalent testina
equipment;	and the t	erm "horizontal c	ompletion" means an	oil well in which th	e horizontal componer	nt of the gross comp	oletion interval in facili	ties or e	quivalent testing
equipment; a	and the te	erm "horizontal co	empletion" means an o	oil well in which the	horizontal component	of the gross complet	ion interval in the reser	rvoir exce	eeds the vertical
Component t	thereof.	In exercising its p	ooling rights hereund	er, Lessee shall file	of record a written dec	claration describing the	ne unit and stating the	effective	date of pooling.
rewarking or	anning or perations	on the leased are	nons anywhere on a	unit which includes	all or any part of the I h Lessor's royalty is ca	leased premises sna	il be treated as if it we	ere proat	uction, aniling or
net acreage	covered	by this lease and	included in the unit t	ears to the total are	oss acreage in the unit	hut only to the exte	proportion of the total	unit produ	uction is sold by
Lessee. Po	aling in o	ne or more instan-	ces shall not exhaust	Lessee's pooling rigi	hts hereunder, and Les	see shall have the re	ecurring right but not the	e obligati	ion to revise any
unit formed	hereunde	r by expansion a	r contraction or both,	either before or afte	r commencement of pr	roduction, in order to	conform to the well s	pacing or	r density pattern
prescribed o	or permitte	ed by the government League shall file	nental authority having	j jurisdiction, or to c	onform to any producti	ive acreage determin	ation made by such go	vernmen	ntal authority. In
leased prem	ises is inc	a, cossee snai III cluded in or exclus	ded from the unit by v	rectaration describing	g the revised unit and s i, the proportion of unit	stating the effective of production on which	ate or revision. To the royalties are navable to	extent al	ny partion of the rishali thereafter
be adjusted:	according	yly. In the absenc	e of production in payi	ing quantities from a	unit, or upon permanei	nt cessation thereof,	Lessee may terminate t	the unit b	y filing of record
a written ded	ciaration o	lescribing the unit	and stating the date of	f termination. Poolin	g hereunder shall not o	constitute a cross-con	vevance of interests.		
7. If Le	essor owi	is less than the fu	III mineral estate in all	or any part of the lea	ased premises, the rova	alties and shut-in rova	alties pavable hereunde	r for any	well on any part
of the leased such part of	premise	s or lands pooled	therewith shall be redi	uced to the proportio	n that Lessor's interest	in such part of the le	ased premises bears to	the full i	mineral estate in
Judii Part di		a premioco.							

8. The interest of either Lessor or Lessee hereunder may be assigned, devised or otherwise transferred in whole or in part, by area and/or by depth or zone, and the rights and obligations of the parties hereunder shall extend to their respective heirs, devisees, executors, administrators, successors and assigns. No change in Lessor's rights and obligations of the parties hereunder shall extend to their respective heirs, devisees, executors, administrators, successors and assigns. No change in Lessor's ownership shall have the effect of reducing the rights or enlarging the obligations of Lessee hereunder, and no change in ownership shall be binding on Lessee until 60 days after Lessee has been furnished the original or certified or duly authenticated copies of the documents establishing such change of ownership to the satisfaction of Lessee or until Lessor has satisfied the notification requirements contained in Lessee's usual form of division order. In the event of the death of any person entitled to shut-in royalties to the credit of decedent or decedent's estate in the depository designated above. If at any time two or more persons are entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to such persons or to their credit in the depository, either jointly or separately in proportion to the interest which each owns. If Lessee transfers its interest hereunder in whole or in part Lessee shall be relieved of all obligations thereafter arising with respect to the transferred interest, and failure of the transferred to satisfy such obligations with respect to the transferred interest shall not affect the rights of Lessee with respect to any interest not so transferred. If Lessee transfers a full or undivided interest in all or any portion of the area covered by this lease, the obligation to Lessee with respect to the transferred interest, and railure of the transferred to satisfy such deligations with respect to the transferred interest shall not anext the lights of Lessee with respect to any interest not so transferred. If Lessee transfers a full or undivided interest in all or any portion of the area covered by this lease, the obligation to pay or tender shut-in royalties hereunder shall be divided between Lessee and the transferred in proportion to the net acreage interest in this lease then held by each.

9. Lessee may, at any time and from time to time, deliver to Lessor or file of record a written release of this lease as to a full or undivided interest in all or any portion of the area covered by this lease or any depths or zones there under, and shall thereupon be relieved of all obligations thereafter arising with respect to the interest so released.

If Lessee releases all or an undivided interest in less than all of the area covered hereby, Lessee's obligation to pay or tender shut-in royalties shall be proportionately reduced in accordance with the net decrease shall be proportionately reduced

rdance with the net acreage interest retained hereunder.

10. In exploring for, developing, producing and marketing oil, gas and other substances covered hereby on the leased premises or lands pooled or unitized herewith, in primary and/or enhanced recovery, Lessee shall have the right of ingress and egress along with the right to conduct such operations on the leased premises as may be reasonably necessary for such purposes, including but not limited to geophysical operations, the drilling of wells, and the construction and use of roads, canals, pipelines, tanks, water wells, disposal wells, injection wells, pits, electric and telephone lines, power stations, and other facilities deemed necessary by Lessee to discover, produce, store, treat and/or transport production. Lessee may use in such operations, free of cost, any oil, gas, water and/or other substances produced on the leased premises, except water from Lessor's wells or ponds. In exploring, developing, producing or marketing from the leased premises or lands pooled therewith, the ancillary rights granted herein shall apply (a) to the entire leased premises described in Paragraph 1 above, notwithstanding any partial release or other partial termination of this lease; and (b) to any other lands in which Lessor now or hereafter has authority to grant such rights in the vicinity of the leased premises or lands pooled therewith. When requested by Lessor in writing, Lessee shall bury its pipelines below ordinary plow depth on cultivated lands. No well shall be located less than 200 feet from any house or barn now on the leased premises or other lands used by Lessee hereunder, without Lessor's consent, and Lessee shall pay for damage caused by its operations to buildings and other improvements now on the leased premises or such other lands during the term of this lease or within a reasonable time thereafter.

11. Lessee's obligations under this lease, whether express or implied, shall be subject to all applicable laws, rules, regulations and orders of any governmental authority having jurisdiction including restrict 10. In exploring for, developing, producing and marketing oil, gas and other substances covered hereby on the leased premises or lands pooled or unitized herewith. In

control, this lease shall not terminate because of such prevention or delay, and at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall not be liable for breach of any express or implied covenants of this lease when drilling, production or other operations are so prevented, delayed or interrupted. 12. In the event that Lessor, during the primary term of this lease, receives a bona fide offer which Lessor is willing to accept from any party offering to purchase from Lessor a lease covering any or all of the substances covered by this lease and covering all or a portion of the land described herein, with the lease becoming effective upon expiration of this lease, Lessor hereby agrees to notify Lessee in writing of said offer immediately, including in the notice the name and address of the offeror, the price offered and all other pertinent terms and conditions of the offer. Lessee, for a period of fifteen days after receipt of the notice, shall have the prior and preferred right and option to purchase the lease or part thereof or interest therein, covered by the offer at the price and according to the terms and conditions specified in the offer.

13. No litigation shall be initiated by Lessor with respect to any breach or default by Lessee hereunder, for a period of at least 90 days after Lessor has given Lessee written notice fully describing the breach or default, and then only if Lessee fails to remedy the breach or default, within such period. In the event the matter is litigated and then only if Lessee the properties of the period of a part unless Lessee is given a reasonable.

there is a final judicial determination that a breach or default has occurred, this lease shall not be forfeited or canceled in whole or in part unless Lessee is given a reasonable time after said judicial determination to remedy the breach or default and Lessee falls to do so.

14. For the same consideration recited above, Lessor hereby grants, assigns and conveys unto Lessee, its successors and assigns, a perpetual subsurface well bore ament under and through the leased premises for the placement of well bores (along routes selected by Lessee) from oil or gas wells the surface locations of which are situated on other tracts of land and which are not intended to develop the leased premises or lands pooled therewith and from which Lessor shall have no right to royalty or other benefit. Such subsurface well bore easements shall run with the land and survive any termination of this lease.

15. Lessor hereby warrants and agrees to defend title conveyed to Lessee hereunder, and agrees that Lessee at Lessee's option may pay and discharge any taxes, mortgages or liens existing, levied or assessed on or against the leased premises. If Lessee exercises such option, Lessee shall be subrogated to the rights of the party to whom payment is made, and, in addition to its other rights, may reimburse itself out of any royalties or shut-n royalties otherwise payable to Lessor hereunder. In the event Lessee is made aware of any claim inconsistent with Lessor's title, Lessee may suspend the payment of royalties and shut-in royalties hereunder, without interest, until Lessee has been furnished satisfactory evidence that such claim has been resolved.

16. Notwithstanding anything contained to the contrary in this lease, Lessee shall not have any rights to use the surface of the leased premises for drilling or other

17. This lease may be executed in counterparts, each of which is deemed an original and all of which only constitute one original.

DISCLAIMER OF REPRESENTATIONS: Lessor acknowledges that oil and gas lease payments, in the form of rental, bonus and royalty, are market sensitive and may vary depending on multiple factors and that this Lease is the product of good faith negotiations. Lessor understands that these lease payments and terms are final and that Lessor entered into this lease without duress or under influence. Lessor recognizes that lease values could go up or down depending on market conditions. Lessor acknowledges that no representations or assurances were made in the negotiation of this lease that Lessor would get the highest price or different terms depending on future market conditions. Neither party to this lease will seek to alter the terms of this transaction based upon any differing terms which Lessee has or may negotiate with any other lessors/oil and gas owners.

IN WITNESS WHEREOF, this lease is executed to be effective as of the date first written above, but upon execution shall be binding on the signatory and the signatory's

heirs, devisees, executors, administrators, successors and assigns, wheeles, devisees,	hether or not this lease has been executed by all parties hereinabove named as Lessor.
LESSOR (WHETHER ONE OR MORE)	
By: Sandra Martinez	By:
STATE OF LKUS COUNTY OF TAY CALL This instrument was acknowledged before me on the by: Dandra Hur Tull T	ACKNOWLEDGMENT Acknowledgment acknowledgment acknowledgment acknowledgment acknowledgment acknowledgment acknowledgment
MARIA MUNOZ PADILLA Notary Public, State of Texas My Commission Expires October 05, 2011	Maria Maria Fuclullu. Notary Public, State of 120 Notary's name (printed): Notary's commission expires:
STATE OF COUNTY OF This instrument was acknowledged before me on the by:	day of, 2009,



DALE RESOURCES LLC 2100 ROSS AVE STE 1870 LB-9

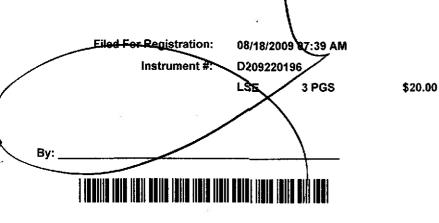
DALLAS

TX 75201

Submitter: DALE RESOURCES LLC

SUZANNE HENDERSON TARRANT COUNTY CLERK TARRANT COUNTY COURTHOUSE 100 WEST WEATHERFORD FORT WORTH, TX 76196-0401

<u>DO NOT DESTROY</u> WARNING - THIS IS PART OF THE OFFICIAL RECORD.



D209220196

ANY PROVISION WHICH RESTRICTS THE SALE, RENTAL OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.

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